

AMENDED IN SENATE APRIL 15, 2008

SENATE BILL

No. 1583

Introduced by Senator Corbett

February 22, 2008

An act to add Sections 1021.7 and 2753 to the Labor Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

SB 1583, as amended, Corbett. Employment: independent contractors.

Under existing law, a person who knowingly enters into a contract for services that require an independent contractor license with a person who does not meet the burden of proof of independent contractor status, as prescribed, is subject to a civil penalty of \$200 per person so contracted for each day of the contract.

This bill would provide that a person who *knowingly* advises another person to treat an individual as an independent contractor to avoid employee status for the individual shall be jointly and severally liable with the employer if the individual is not found to be an independent contractor.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1021.7 is added to the Labor Code, to
- 2 read:
- 3 1021.7. (a) A person who *knowingly* advises another person
- 4 for money or other valuable consideration to treat an individual
- 5 as an independent contractor to avoid employee status for the

1 individual shall be jointly and severally liable with the employer
2 for the civil penalty provided in Section 1021.5 if the individual
3 is not found to be an independent contractor.

4 ~~(b) This section does not apply to a licensed attorney in good~~
5 ~~standing in this state or another state who provides legal advice~~
6 ~~within the scope of his or her license.~~

7 *(b) This section does not apply to an attorney authorized to*
8 *practice law in California or another United States jurisdiction*
9 *who provides legal advice in the course of the practice of law.*

10 SEC. 2. Section 2753 is added to the Labor Code, to read:

11 2753. (a) A person who *knowingly* advises an employer to
12 treat an individual as an independent contractor to avoid employee
13 status for that individual shall be jointly and severally liable with
14 the employer if the individual is not found to be an independent
15 contractor.

16 ~~(b) This section does not apply to a licensed attorney in good~~
17 ~~standing in this state or another state that provides legal advice~~
18 ~~within the scope of his or her license.~~

19 *(b) This section does not apply to an attorney authorized to*
20 *practice law in California or another United States jurisdiction*
21 *who provides legal advice in the course of the practice of law.*